Promotional Mix Chapter 17.1



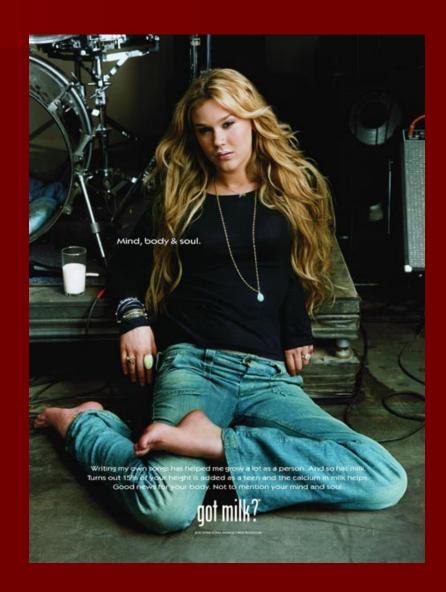




What is promotion?

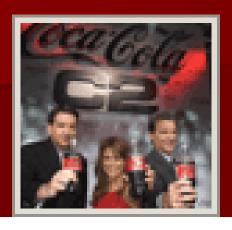
 Any form of communication a business or organization uses to inform, persuade, or remind people about its products.





The Promotional Mix is a combination of the different types of promotion.

The CocaCola Company





Two types of promotion

- Product Promotion
 - Type of promotion that a business uses to convince potential customers to buy products from them and not their competitors.
- Institutional Promotion
 - Type of promotion that a business uses to create a favorable image for itself.

Four basic types of promotion....

- Personal selling
- Advertising
- Sales promotion
- Public relations

What is the largest form of promotion?

- Personal Selling!
 - This type of promotion requires contact with potential buyers





Advertising....

Any paid form of nonpersonal presentation and promotion of ideas, goods, or services by an identified sponsor.



Sales Promotion

• All marketing activities, other than personal selling, advertising, and public relations is called....

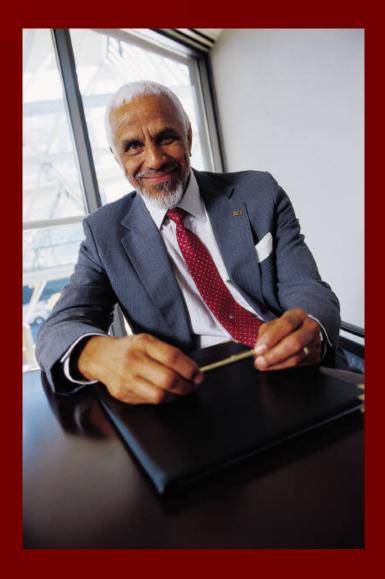






Public Relations

 Any activity designed to create a favorable image toward a business, its products or its policies.



Publicity

A specific kind of public relations that involves placing positive and newsworthy information about a business, its products, or its policies in the media is called.....





Publicity

- Advantage...
 - It is free!
- Disadvantage.....
 - Its contentscannot becontrolled by thebusiness





Principal function of publicity...

Building an image



What do they do?

- Advertising
 - Creates awareness of a business's product
- Public Relations
 - Creates a favorable image for the business itself
- Sales Promotion
 - Efforts stimulate sales
- Personal Selling
 - Builds on all of the other efforts by helping customers complete the sale

Marketing Department

- Establishes a promotion budget
- Allocates resources
- Coordinates the campaign
- Determines the right promotional mix for the company

McDonald's Press Release 08/31/2005

McDonald's Names Mary Dillon as Global Chief Marketing Officer OAK BROOK, IL -- McDonald's Corporation today announced that Mary Dillon has been named Executive Vice President and Global Chief Marketing Officer for the company, succeeding Larry Light, who will retire at the end of this year.

Dillon, 44, is currently President of Quaker Foods, a Chicago-based division of PepsiCo Corporation.

She will assume her global responsibilities as McDonald's marketing leader effective October 3rd, reporting to Mike Roberts, McDonald's President and Chief Operating Officer.

In making the announcement, Jim Skinner, McDonald's Chief Executive Officer, said, "Mary Dillon is an extremely talented executive who brings a remarkable combination of marketing and general management expertise to McDonald's. Mary will add energetic leadership and creative thinking to a global marketing team that continues to deepen relationships with our customers. Mike and I are very confident that Mary has both the skills and the determination to lead our global marketing and brand management to an important new level."

In accepting the post, Dillon said, "This is one of the best marketing jobs in the world, and I am excited and immensely proud to join this world-class team that touches millions of consumers every day. I would like to begin this new role by thanking Larry Light and the entire marketing team for building a tradition of customer relevancy at McDonald's. I will work to continue this record of marketing leadership and build brand strength going forward."



Push Policy

Promotion policy used only with the next partner in the distribution channel.

Manufacturers PUSH a product to the retailers for sale....



Pull Policy

Promotion policy designed to create consumer interest

When a product is consumer driven or PUSHED into a store....

